VERMONT

Human Resources Investment Council 2005 Annual Report

The Human Resources Investment Council (HRIC) was established in 1993. The mission of the Council is to ensure that Vermonters have the skills they need to get and keep good jobs, and that Vermont employers have the skilled workers they need to compete successfully in a rapidly changing world economy. The Council advises the Governor on the development and implementation of a comprehensive, flexible and responsive workforce education and training system. The Council is designated as the State Workforce Investment Board under the Federal Workforce Investment Act.

The HRIC is a business majority council, appointed by the Governor, with members representing all sectors of the economy and all geographic regions of the State. In addition, Council membership includes top officials from State agencies and higher education institutions, representatives of labor and the low income community, and representatives of the Senate and House.

Over the past year, the Council has been meeting with business leaders and leading private sector groups to discuss the Council's <u>Workforce Challenge Statement</u> that outlines the demographic and skill challenges that will effect the Vermont workforce over the next decade. The Council's strategic Workforce Development Strategic Plan can be downloaded at: www.HRIC.state.vt.us.

The HRIC is charged in State law with establishing Regional Workforce Investment Boards (WIBs). These twelve regional volunteer boards are the local component of the system, working closely with employers, schools, colleges and community organizations to maximize the effectiveness of all of the State's workforce education and training investments.

2005 Systemwide Accomplishments:

- Health Care Workforce Development Report The shortage of healthcare workers is a critical challenge for a wide range of healthcare providers. This committee has quantified these shortages for more than twenty occupations and has identified strategies and resources for schools, colleges, and health care providers. A copy of this report can be found at: www.hric.state.vt.us/council%20reports.html
- Northlands Job Corps Center On July 1, 2005 the competitive contract for operation of the Job Corps program in Vergennes was awarded to a new corporation that has committed to begin working on the reconendations outlined by the HRIC's Council on Youth to improve program delivery and increase Vermont enrollments.
- Workforce Education and Training Fund A total of eight proposals were funded in FY 2005.
 Training was provided in a wide range of occupations, including construction, information technology, law enforcement and high-skill manufacturing. More than forty employers and approximately 250 workers benefited directly from the training that was delivered during the year. It's important to note that WETF resources are intended to "launch" training efforts that will become self-sustaining, with an impact that will extend well beyond the grant cycle.
- Vermont Training Program The Vermont Training Program at the Department of Economic Development promotes and encourages the creation and retention of jobs in manufacturing by providing training for new and existing businesses. In 2005, 2,443 individuals completed

training programs at 230 companies, and two special programs in ISO 9000 and Lean Manufacturing.

- Statewide Adult Education and Literacy Vermont Adult Learning began it's first full year of operation providing adult education and literacy services in all regions of the State under a single contract from the Department of Education. For the first time, uniform services will be available in all regions under the name "Learning Works". The system served over 5000 individuals and awarded more than 1,000 high school completion credentials in 2005.
- Technical Education System Reform Years of reform efforts at the regional technical
 centers are producing very positive results including improved performance on academic
 assessments, adoption of Industry Skill Standards in most programs, and an increased rate
 of entry into postsecondary programs. Many programs are now over-subscribed and unable
 to serve all who apply.
- Federal Competitive Grants Continued implementation by the Department of Labor of a second multi-year Federal H1-B competitive grant that has trained over 2,900 individuals for highly skilled information technology and healthcare jobs. This grant totaled over 2.9 million dollars and has attracted more than four million dollars in private sector matching funds.
- National Science Foundation Grant This fall saw the enrollment of the first 22 students at Vermont Technical College in this innovative Information Technology degree program. This \$600,000 grant is a partnership of the HRIC, Vermont State Colleges, and DOE that supports the costs of curriculum development, marketing, professional development, a new course structure that will support more flexible IT degree options, and stronger connections between secondary and postsecondary IT programs.
- Disabled Youth Career Start Grant 2005 was the first full year of implementation of local school/community/employer collaboratives that will address the poor academic performance and low rates of college and job entry of youth with disabilities. The project is a collaborative effort the HRIC, local WIB's and the Departments of Vocational Rehabilitation, Labor, and Education. Multi-year projects are underway in the Bennington, Randolph, Burlington and Springfield regions.
- VSC Technology Extension Division TED at Vermont Technical College provided credit, non-credit and on-line programs to more than 50 employers, and more than 5,000 workers throughout Vermont. Topics areas included: applied mechanics; leadership and managerial skills; customer service; team building; print interpretation; telecommunications; general electronics; semiconductor processing, medical coding and transcription, pharmacy tech, paralegal, records management, six sigma, home inspection, and AutoCad
- Apprenticeship The VSC Technology Extension Division, in partnership with the Vt.
 Department of Labor and regional technical centers delevered the required 144 hours of classroom instruction to more than 600 registered plumbing and electrical apprentices at five locations around the state.
- Governor's Information Technology Initiative This year the Vt. Department of Labor won a
 competitive three year grant in partnership with the Vermont Information Technology Center at
 Champlain College and other postsecondary institutions of more than \$1.5 million to provide
 information technology apprenticeships, readiness programs, student internships, and industry
 certificates to unemployed and employed Vermonters.

Regional Workforce Investment Board Accomplishments:

- Organized 11 regional focus groups, with over 150 participants to gather customer input to
 improve the delivery of employment services to people with disabilities. These sessions were
 conducted as part of the State's application for Federal Medicaid Infrastructure funds, and
 produced a number of new ideas for the more effective use of these funds. Copies of this report
 are available from the HRIC.
- As part of the Career Start Initiative, the WIBs organized ten regional marketing campaigns to raise awareness about the challenges faced by youth with disabilities in accessing employment and college. Four WIBs are part of a statewide US DOL grant-funded consortium overseen by the VT. Department of labor and the Department of Vocational Rehabilitation the is implementing new and innovative strategies designed to reduce drop-out rates and increase entry into jobs and college for this population. Copies of this report are available from the HRIC.
- Convened 200 individuals in eight local Offender Community Re-Entry Forums designed to; address barriers to the successful transition of ex-offender's into their communities, facilitate employment and housing, and identify State policies and regulations that create barriers to these positive outcomes.
- Continued to work on addressing the workforce needs of specific employment sectors in their regions that are experiencing shortages of skilled workers, such as construction, healthcare, manufacturing and information technology, targeting key shortage areas, applying for grants and implementing training solutions.
- The WIBs review all applications for the Workforce Education and Training Fund (WETF) to make sure the proposed projects meet real local training needs, do not duplicate existing services, and will lead to good jobs.

Challenges for 2006:

Vermont faces significant workforce challenges that have serious implications for the ability of Vermont companies to compete. We will focus on education and training strategies to increase worker productivity.

First, there are not enough workers to support economic growth;

- The supply of workers in Vermont is expected to grow at a rate of only 1.5% per year over the next 10 years, down from an average of 5% a year since the 70's.
- Vermont's workforce is older than the average in most other states, and as baby boomers retire, a large number of skilled workers will leave the workforce.
- From the 1990 census to the 2000 census Vermont had a 19% decline in the 20-34 year old population.
- There will be an 18% decline in Vermont's high school population over the next ten years.

Second, much higher skills are required to get and keep a good job than in the past, and skilled workers are increasingly difficult to find;

- Over 70% of employers interviewed by the regional WIBs reported that they have passed up opportunities to expand their businesses because they could not find workers who could handle what would be required.
- Good jobs that were once available to workers with limited academic skills now require strong skills in reading, communication, math, and the use of computers.
- Those without a high school diploma earn only 65% of the US average wage. High school graduates earn 83%, and those with a bachelors degree (or other industry specific credentials) earn 131%.
- Employers invest more in skilled workers. Half of college graduates receive training on the job, but fewer than 20% of school dropouts receive such training.
- Of the top ten fastest growing jobs in Vermont, seven require two year college degrees or more for entry, and two others require specific post-high school training.
- Specialized information technology, software, and computer skills are required in 95% of jobs in banking/insurance, graphics/printing, and healthcare.

Plans for 2006:

- The Council will be working with it's partners to develop specific strategies to address the issues raised in the "Workforce Challenge Statement" that describes the impact that the changing economy will have on the State's workers and employers.
- Expand partnerships with leading business and trade associations to build consensus on strategies to address worker skill shortages in key economic sectors across the State.
- Continued successful implementation of the Workforce Investment Act, including exceeding
 performance objectives in order to qualify for WIA Title V performance incentive grants, and
 the development of a new State Plan for implementation of the reauthorized Workforce
 Investment Act.
- Further expansion of Industry Recognized Skills Standards in training programs, so that; education and training providers can develop curriculum that is clearly linked to employer expectations, worker skill gains are formally documented, and credentials can be transferred across institutions and workplaces.
- Continued support for implementation of the new broad-based governance structures for comprehensive Technical Education/Workforce Development Centers in partnership with the Department of Education.

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